

Royale Energy Rocky Mountain Update and Anticipation of Regional Sales

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SAN DIEGO, Nov 27, 2007 (BUSINESS WIRE) -- Royale Energy, Inc. (NASDAQ:ROYL) announces a new gas discovery and the successful completion and fracture stimulation of the V Canyon 20-1 well in the Uintah Basin.

On August 27th the Company began drilling the V Canyon 20-1 well and reached total depth of 11,322 feet on October 12th. During the course of drilling the well encountered a setback due to a pressure differential resulting in stuck drill pipe. After more than seven days of "fishing" operations, over 10,200 feet of pipe was recovered, and the Company resumed drilling. All further drilling was successfully completed without incident.

On October 30th the completion rig was moved from the Ten Mile Canyon 22-1 well, to begin completion operations of the V Canyon 20-1. The well encountered multiple potentially productive zones including the Mesa Verde, the Sego, the Castlegate, the Mancos shale, the Dakota, the Brushy Basin, the Entrada and the Wingate. Out of a total of 60 feet of potentially productive Entrada, Royale selected the best 20 feet in the middle of the zone for perforation. This 20 foot section flowed gas naturally at an initial rate of 1.3 MMcf (million cubic feet) of gas per day and stabilized at 882 Mcf per day. Royale then decided to further stimulate by performing a fracture stimulation ("frac") of this zone which increased the production capacity of the zone, resulting in an initial rate of 1.8 MMcf per day and stabilized flow rate of 1.04 MMcf of gas per day with higher tubing pressure. The well is currently being prepared for production and connection to the pipeline that runs immediately north of the well.

The Company's President Don Hosmer said, "We are excited by the results we are seeing from this year's drilling and completion efforts. It has given us the confidence to focus a large part of our 2008 efforts on the continued development of this property."

The Company has entered into an agreement with Uintah Basin Field Services and Questar Gas Management to transport and process its gas from the V Canyon 20-1 well, effective immediately, and has installed a pipeline, that will enable it to begin selling gas. The Company expects first gas sales to begin in less than 10 days.

Stephen Hosmer, the Company's Chief Financial Officer, commented, "The increased cashflow from the connection of the V Canyon 20-1 should translate to positive earnings growth by first quarter 2008."

The Ten Mile Canyon 22-1 well reached total depth of 11,274 feet on August 17th. It was subsequently logged and production casing was set to the Wingate zone. Electric logs indicate Nuetron/Density Crossover, which indicates gas prescreens, in a number of objective zones, including the Wingate and Entrada. Upon perforating the Wingate and

Entrada neither of these two zones flowed gas naturally and will be studied as candidates for future stimulation when the pipeline is installed.

In the meantime, the overlying Cedar Mountain formation was tested and resulted in gas pressure and stabilized flow. Additional formations that remain to be tested are the Dakota sand and silt, the Mancos shale, the Castlegate, and the Sego. All of these zones, including the Wingate and Entrada, are being evaluated as candidates for fracture stimulation to be carried out in the first quarter of 2008 following the installation of a pipeline.

About the Company

Headquartered in San Diego, Royale Energy, Inc. is an independent [energy company](#). The company is focused on development, acquisition, exploration, and production of natural gas and oil in California, Texas and the Rocky Mountains. It has been a leading independent producer of oil and natural gas for over 20 years. The company's strength is continually reaffirmed by investors who participate in funding over 50% of the company's new projects. Additional information about Royale Energy, Inc. is available on its web site at www.royl.com.

Forward Looking Statements

In addition to historical information contained herein, this news release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, subject to various risks and uncertainties that could cause the company's actual results to differ materially from those in the "forward-looking" statements. While the company believes its forward looking statements are based upon reasonable assumptions, there are factors that are difficult to predict and that are influenced by economic and other conditions beyond the company's control. Investors are directed to consider such risks and other uncertainties discussed in documents filed by the company with the Securities and Exchange Commission.

SOURCE: Royale Energy, Inc.